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To: Microsoft ATR
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Subject: Microsoft Settlement

As allowed by the Tunney Act, I would like to voice my opinion on the past proposed settlement and current anti-trust lawsuit in the case against Microsoft.

Previously Microsoft proposed a settlement for the anti-trust trial. Their settlement included roughly one billion dollars worth of software, computers, and technical support to be delivered to schools across the country. This proposed settlement seemed to me to be not much more than a simple public relations trick and possibly even an attempt to EXTEND their monopoly. The facts of the matter are that a 500 million dollar donation of SOFTWARE to schools across the country would actually cost Microsoft considerably LESS than 500 million dollars. A donation of a \$100 product such as a Windows operating system license would only end up costing Microsoft whatever relatively small cost of shipping and packaging. The rest of the \$100 (probably in the range of 90%) makes up the license, which costs Microsoft nothing to donate. Another fact about this proposed settlement is that if it had been passed, Apple Computers would have most certainly suffered a huge blow by losing a large portion of its current market share. Apple Computers make up, by recent estimates, between 40% and 50% of all computers in American schools. Had the proposed Microsoft settlement been passed, many of those computers would have been replaced with Microsoft Windows machines thereby, in all likelihood, permanently displacing Apple Macintosh operating system machines from schools. I think there is an inherent problem with an anti-trust settlement when a monopoly's sole (albeit very small) competitor would be seriously injured. Lastly, I believe that if one billion dollars were to be donated to American schools, I feel that donations in the form of computers, software, and technical support would not be the most useful form. I remember my high school, we had a very full and up-to-date computer lab; unfortunately, we lacked enough teachers and staff to keep the computer lab open after school when the most use can be made of a computer lab. I also remember my high school severely lacking desks and chairs and an ever increasing class size. If one billion dollars is to be donated to American schools, I believe the problems I have laid out should be addressed first.

Although I found the previous settlement proposal to be nothing more than a PR joke with nearly nothing to produce any results in reducing Microsoft's monopoly or compensating the public for abuse of that monopoly, I do believe that there is a solution to the problem. Microsoft's monopoly resides in three software applications that control three separate markets. First is the Windows operating system itself. The main reason this monopoly lingers and is so difficult to eliminate

is because nearly every program on Earth runs on windows, but relatively very few will run on any other operating system. So in order to run your favorite programs, you need to buy a copy of Windows. The best solution to this problem would be to allow someone to run a program written and designed for Windows, but without purchasing a copy of Windows. Every operating system uses a set of API's (application program interface) that allows a programmer to draw windows and objects onto the screen. The API allows for just enough "hooks" for a developer to use, but the API itself is hidden, only a description of what it does is publicly known. Because of this, it becomes virtually impossible to duplicate the Windows API. Step one to eliminating a Microsoft monopoly is to force Microsoft to publish the complete source code to the Window's API thereby allowing other producers to produce operating systems that can run Windows programs and thereby directly compete with Windows.

The second Microsoft application that unfairly monopolizes a market is the Office Suite program, Microsoft Word. Although this program is deemed by many to be the best of its kind, it is not the quality of the program that has given Microsoft an unfair edge in the market, it is instead the format that the program by default saves documents in. The Microsoft Word document format is proprietary, and in order to open a file written in Microsoft Word, a person needs to have Microsoft Word (there are programs that attempt to open Word documents, but these are not complete and usually can only open the most basic Word documents). In order to alleviate this problem, the specifications of the Word document should be released to the public so that a document created by Microsoft Word can be opened and edited or manipulated without the need to purchase a copy of Microsoft Word.

Lastly, the third program that has monopolized an entire market is Microsoft's Internet Explorer. Through monopolistic practices, Internet Explorer pushed Netscape's Navigator out of the market. Microsoft also released web authoring tools which produce webpages that can only be correctly viewed with Internet Explorer. When the graphical internet started to become popular, standards were formed on how webpages should be formatted using the HTML (Hypertext Markup Language) code. With a monopoly on web browsers, Microsoft violated these standards in their authoring programs to solidify their monopoly. Although today many alternative web browsers do exist, none of them "work" as well as Microsoft's simply because so many web pages are made to only be viewed in Internet Explorer. As a solution to this, the rendering engine (the part of the web browser that "renders" the HTML code to put the correct layout and text of the webpage on the screen) of Internet Explorer should be made public so that competing web browsers may incorporate into their web browsers code to allow their users to view "Internet Explorer only" webpages.

In all three of the mentioned markets Microsoft has maintained a

monopoly by forcing proprietary standards and formats and NOT by producing quality products at low prices. In all three of my solutions Microsoft would lose that unfair edge allowing other companies to step in with competing products like never before. Before a competing product had most of its focus on merely being compatible, take away that edge and time and money can be spent on making quality products at low prices (or free products as the case may very well be, I.E. Linux, OpenOffice, etc.). In my proposal Microsoft would be punished for its abuse, but more importantly, it would take away the edge that Microsoft enjoys in order to maintain their monopoly. My proposal would allow for competition to fairly enter the market and hopefully would result in a better and less expensive computing experience for everyone.

-Alex Waldauer